(b) With regard to the interest rates in the banking system in the monetary policy announced by RBI on October 19,1996, banks have been advised to pass on atleast part of their gains on account of CRR reductions to borrowers by reducing the Prime Lending Rate and also to announce the maximum spread over PLR. In the period subsequent to the announceme of the credit policy, banks have reduced their Prime Lending Rate and also indicated the maximum spread over Prime Lending Rate. As regards higher interest rates charged by FIs, RBI has stated that they raise funds at market related rates of interest. As such, the lending rates of these institutions depends on their cost of funds. However, recently some term lending institutions such as IDBI, ICICI, SCICI have reduced their interest rates.

(c) and (d) The sources of funds of FIs and banks are different. The sources of funds of commercial banks are mainly public deposits. Generally, funds mobilised by banks are of short to medium term in nature and most of their funds are deployed on a short to medium term basis FIs however raise their funds by way of public and private placement of bonds, certificate of deposits and foreign currency loans on a medium to long term basis. These fund are raised by FIs at market related rates. Due to these differences, interest rates charged by Finance different from those charged by banks.

Recommendations of Law Commission

1195. SHRI SONTOSH MOHAN DEV : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Law Commission in its report have recommended a separate cadre of investigations agency in every district subject to the supervision of the higher authorities;

(b) if so, whether this is to ensure speedy trial of criminal cases envisaged within the meaning of article 21 of the Constitution;

(c) if so, the details of other recommendations made by the Law Commission and how many of them have been accepted by the Government; and

(d) the time by which criminal procedure code is likely to be amended?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) and (b) Yes, Sir.

(c) The details of the recommendations are contained In Chapter XXII of the 154th report of the Law Commission laid on the Table of the House on 20.12.96. The report is under examination of the Ministry of Home Affairs.

(d) It may not be possible to indicate any specific time limit in this regard. Efforts are being made to implement the same as early as possible.

Demand and Supply of Coal

1196. SHRI NITISH KUMAR :
JUSTICE GUMAN MAL LODHA :
SHRI JAI PRAKASH AGARWAL :
SHRI SHANTI LAL PARSOTAMDAS PATEL
SHRI DINSHA PATEL :

Will the Minister of COAL be pleased to state :

(a) whether the gap between demand and supply of coal in the country has been increasing constantly for the last few years;

(b) if so, the gap between the demand and supply of coal in the country in the beginning of the Eighth Plan;

(c) the gap between the demand and supply during the year 1996-97 and the extent up to which it is likely to be increased during 1997-98; and

(d) the steps taken by the Government to bridge this gap during the Ninth Plan?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) (b) and (c) Demand of raw coal, as assessed by the Planning Commission, from the beginning of the 8th Five Year Plan upto the year 1997-98, vis-a-vis actual/anticipated suppy of coal during the 8th Five Year Plan and supply planned for the year 1997-98 is given below :

(In million tonnes)

Year	Demand	Supply*	Gap between demand and supply of coal
1992-93	256.70	241.69	15.01
1993-94	268.80	252.87	15.93
1994-95	268.50	260.64	7.86
1995-96	288.00	279.73	8.27
1996-97	325.00	296.27	28.73
1997-98	323.38	310.60	12.78

* Includes Imported Coal

(d) Steps being taken to augment domestic production of coal to bridge the gap between demand and supply of coal during the 9th Five Year Plan, inter-alia, include the following :

(i) Opening up of new mines and increasing efficiency and productivity in the existing mines by modernisation, application of new technologies and ensuring timely availability of inputs and infrastructural facilities.

(ii) Partial de-regulation of coal prices which is likely to improve the generation of internal financial resources of the coal companies which will facilitate implementation of

projects. It will also improve the financial viability of new mining projects.

(iii) The capital base of Coal India Limited has been restructured which will enable it to raise additional financial resources from the capital markets which are required to add new coal production capacity.

(iv) Steps are being taken in co-ordination with the Railways to remove the transportation bottlenecks in such coalfield areas which have potential for enhanced production.

(v) Steps are being taken to remove the bottlenecks in land acquisition and forest land clearance for speedier implementation of coal projects.

(vi) Private sector companies engaged in production of iron and steel, cement and generation of power have been permitted to take up coal mining for captive consumption. This is expected to increase domestic coal production and availability.

(vii) To attract private investment in the coal sector, Government has decided to move a Bill to make the necessary legislative changes relating to coal mining to enable any Indian company to mine coal and lignite for sale.

Foreign Investment

1197. SHRIMATI VASUNDHARA RAJE :
SHRI N.S.V. CHITTHAN :
SHRI PRAMOD MAHAJAN :

Will the Minister of INDUSTRY be pleased to state:

(a) whether a number of proposals from foreign investors are pending with Foreign Investment Promotion Board (FIPB);

(b) if so, the details thereof alongwith the reasons for delay in taking decision on them; and

(c) the number of foreign investment proposals cleared by the FIPB upto December 31, 1996?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) At present, there are around 90 applications pending before FIPB. Receipt and consideration of applications by FIPB for foreign investment is a continuous process. If the applications conform to the parameters for approval, such approval is normally given within a period of 4 to 6 weeks of the filing of application.

(c) From August, 1991 to December, 1996, a total number of 3583 proposals envisaging a foreign investment of Rs. 889.6 billion have been cleared by the FIPB.

Licence Applications Pending with DGFT

1198. SHRI N.S.V. CHITTHAN : Will the Minister of COMMERCE be pleased to state :

(a) whether there is a huge backlog of applications for various type of licences and minor amendments in licences pending in the Office of Director General of Foreign Trade;

(b) if so, how many cases of advance licence applications are pending for minor amendments/ revalidation in DGFT Headquarters and JDGFT offices as on December 1996, State-wise, and

(c) the steps taken by the Government to expedite these cases within the time limit framed by the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) There is no backlog of applications of various types of licences and for minor amendments/revalidations pending in Hqrs. DGFT office and regional offices of DGFT.

(b) Information pertaining to advance licences is not maintained Statewise.

(c) Every endeavour is made by the lincensing authorities to dispose off the applications for minor amendments/revalidations expeditiously within the time limit prescribed in this behalf under para 258 of the Hand Book of Procedures, Vol. I. Receipts and disposals of such cases is a continuous and ongoing process and constant monitoring is done to ensure time bound disposal. Specific instances of delays are normally brought up in Open Houses and are dealt with on the spot. Further there are Grievance Committees headed by DGFT at Hqrs. and Zonal Heads in the four zones to deal with such cases. Counter Assistance Cells have also been functioning in the various offices for the purpose of export facilitation.

[Translation]

Lal Matia Coal Mines

1199. SHRI JAGDAMBI PRASAD YADAV : Will the Minister of COAL be pleased to state :

(a) the number of villages uprooted due to Lal Matia Mines and the arrangements made for their rehabilitation till now and the number of families who have lost their fields given employment:

(b) whether it is a fact that neither all the displaced families have been rehabilitated nor given employment and

(c) if so, the action being taken by the Government without further delay in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) So far due to mining operation in Lal Matia mines (Raimahal OCP)